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UM(420) NIGHT LEAD COFFEE AGREEMENT

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(370) NIGHT LEAD COFFEE AGREEMENT

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WASHINGTON, JULY 31 (AP)-THE SENATE VOTED 58 TO 21 TODAY FOR THE UNITED STATES TO IMPLEMENT THE 1963 INTERNATIONAL COFFEE AGREEMENT BUT ADDED AN EXIT DOOR JUST IN CASE COFFEE PRICES GET OUT OF HAND.

THE CONTROVERSIAL MEASURE, ON PRESIDENT JOHNSON'S LIST OF MUST LEGISLATION, WAS APPROVED EARLIER BY THE HOUSE, WHICH NOW MUST CONSIDER THE SENATE AMENDMENT THAT AUTHORIZES CONGRESS TO PASS A WITHDRAWAL RESOLUTION.

THE TREATY SETS UP AN ORGANIZATION WITH HEADQUARTERS IN LONDON TO IMPOSE IMPORT AND EXPORT QUOTAS OF COFFEE FOR SIGNATORY NATIONS.

BACKERS OF THE BILL ARGUED THAT THIS CONTROL WILL HALT WILD FLUCTUATIONS OF WHOLESALE COFFEE PRICES THAT IN PAST YEARS HAVE RANGED FROM 7 CENTS A POUND TO ABOUT 90 CENTS--A BOOM-AND-BUST CYCLE FOR BOTH SELLERS AND BUYERS.

OPPONENTS ARGUED THAT THE TREATY PLACES A FLOOR ON PRICES BUT MAKES THE SKY THE LIMIT AS FAR AS A CEILING IS CONCERNED, AND THAT AMERICAN HOUSEWIVES WILL PAY MORE FOR COFFEE. THEY SAID THE UNITED STATES MIGHT FIND IT AWKWARD OR DIFFICULT TO BACK OUT LATER EVEN IF IT WANTS TO.

SENATE REPUBLICAN LEADER EVERETT M. DIRKSEN OF ILLINOIS DID THE FINAL SELLING JOB FOR THE TREATY BEFORE THE VOTE. HE DECLARED "THERE COULD BE PANIC IN THE COFFEE MARKET IF WE FAILED TO SHOW GOOD FAITH" IN PASSING THE LEGISLATION.

DIRKSEN TOOK NOTE OF THE SENATE'S 69-20 VOTE OF A YEAR AGO RATIFYING THE TREATY AND SAID 58 OTHER NATIONS HAVE SIGNED "IN GOOD FAITH AND SURELY THEY EXPECT US TO CARRY THROUGH." THIS IN ITSELF, HE SAID, IS REASON ENOUGH FOR THE SENATE TO GIVE THE PRESIDENT POWER TO IMPLEMENT THE PACT.

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IF CONGRESS FOUND UNWARRANTED COFFEE PRICE JUMPS ATTRIBUTABLE TO THE PACT IT COULD VOTE FOR WITHDRAWAL. THE PRESIDENT WOULD HAVE TO TRANSMIT THIS TO THE AUTHORITIES ADMINISTERING THE AGREEMENT AND WITHDRAW U.S. PARTICIPATION IF REMEDIAL ACTION WERE NOT TAKEN WITHIN 30 DAYS.

UNDER THE BILL THE PRESIDENT COULD: (1) REQUIRE ALL COFFEE ENTERING THE UNITED STATES AND ALL EXPORTS OF COFFEE TO BE ACCOMPANIED BY A CERTIFICATE OF ORIGIN OR A CERTIFICATE OF RE-EXPORT; (2) LIMIT IMPORTS OF COFFEE FROM COUNTRIES WHICH HAVE NOT JOINED IN THE AGREEMENT; (3) REQUIRE THE KEEPING OF NECESSARY RECORDS AND STATISTICS; (4) AND TAKE ANY OTHER ACTIONS HE DEEMS NECESSARY TO IMPLEMENT AMERICAN PARTICIPATION.

SEN. GEORGE D. AIKEN, D-VT., SAID THE AGREEMENT IS NEEDED TO PREVENT PRODUCERS IN SEVERAL FRIENDLY LATIN AMERICAN NATIONS FROM GOING BROKE. HE BLAMED ON SPECULATORS WILD FLUCTUATIONS UPWARD OF WHOLESALE COFFEE PRICES SINCE THE PACT WAS SIGNED LAST FALL.

SEN. WAYNE MORSE, D-ORE., CHAIRMAN OF THE SENATE FOREIGN RELATIONS SUBCOMMITTEE ON LATIN AMERICAN AFFAIRS, SAID REJECTION OF THE AGREEMENT WOULD BE "A GREAT DISSERVICE TO SOUND INTERNATIONAL RELATIONS" WITH THE AREA.

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